

POMERANTZ LLP

Jennifer Pafiti (SBN 282790)

468 North Camden Drive

Beverly Hills, CA 90210

Telephone: (818) 532-6499

E-mail: jpafiti@pomlaw.com

- additional counsel on signature block -

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

LEAH BITAR, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

REV GROUP, INC., TIMOTHY W.  
SULLIVAN, DEAN J. NOLDEN,  
THOMAS B. PHILLIPS, PAUL  
BAMATTER, JEAN MARIE  
CANAN, DINO CUSUMANO,  
CHARLES DUTIL, JUSTIN FISH,  
KIM MARVIN, and JOEL ROTROFF,

Defendants

Case No.:

CLASS ACTION COMPLAINT  
FOR VIOLATIONS OF THE  
FEDERAL SECURITIES LAWS

JURY TRIAL DEMANDED

Plaintiff Leah Bitar (“Plaintiff”), by and through her attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, her counsel’s investigation, which includes without limitation: (a) review and analysis of regulatory filings made by REV Group, Inc. (“REV” or the “Company”) with

1 the United States (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and  
2 analysis of press releases and media reports issued by and disseminated by REV Group;  
3 and (c) review of other publicly available information concerning REV Group.  
4

### 5 **NATURE OF THE ACTION AND OVERVIEW**

6 1. This is a class action on behalf of persons and entities that acquired REV  
7 securities: (1) pursuant and/or traceable to the Company’s registration statement and  
8 prospectus (collectively, the “Registration Statement”) issued in connection with the  
9 Company’s initial public offering on or about January 27, 2017 (the “IPO” or the  
10 “Offering”), seeking to recover compensable damages caused by Defendants’ violations  
11 of the Securities Act of 1933 (“Securities Act”); and/or (2) between January 27, 2017 and  
12 June 7, 2018, inclusive (the “Class Period”), seeking to pursue remedies under the  
13 Securities Exchange Act of 1934 (the “Exchange Act”).  
14  
15

16 2. REV purportedly designs, manufactures, and distributes specialty vehicles  
17 and related aftermarket parts and services. The Company purports to serve a customer base  
18 primarily in the United States through three segments: Fire & Emergency, Commercial,  
19 and Recreation.  
20  
21  
22

23 3. On June 6, 2018, post-market, REV issued a press release entitled “REV  
24 Group, Inc. Reports Fiscal 2018 Second Quarter Results.” Therein, the Company disclosed  
25 that its second quarter 2018 results were below expectations due to “cost inflation” across  
26 many of the commodities and services the Company buys, the unavailability of chassis,  
27  
28

1 and a negative impact on margins attributed to “lower-than-expected sales of certain  
2 higher-content product categories including custom fire apparatus, large commercial  
3 buses, and Class A RVs.” The Company also lowered its fiscal year 2018 guidance—  
4 predicting “[f]ull-year 2018 revenue of \$2.4 to \$2.6 billion” compared to “\$2.4 to \$2.7  
5 billion” announced earlier, and “Net Income of \$72 to \$87 million” compared to “\$90 to  
6 \$110 million” announced earlier.  
7

8  
9 4. On the same day, June 6, 2018, after announcing its Q2 2018 financial results,  
10 the Company issued a press release entitled “REV Group, Inc. Appoints Ian Walsh as  
11 Chief Operating Officer.” Therein, the Company disclosed that the Company’s Chief  
12 Operating Officer (“COO”), Thomas B. Phillips (“Phillips”) was replaced by Ian Walsh,  
13 effective June 1, 2018.  
14  
15

16 5. The next day, June 7, 2018, the Company held a conference call to discuss  
17 its Q2 2018 results. On the call, Timothy W. Sullivan (“Sullivan”), the Company’s Chief  
18 Executive Officer (“CEO”), elaborated on the Company’s poor Q2 2018 financial results.  
19

20 6. On this news, REV’s share price fell \$3.39, or 18.9%, to close at \$14.52 on  
21 June 7, 2018, on unusually heavy trading volume.  
22

23 7. Throughout the Class Period and/or in REV’s Registration Statement,  
24 Defendants made materially false and/or misleading statements, as well as failed to  
25 disclose material adverse facts about the Company’s business, operations, and prospects.  
26 Specifically, Defendants failed to disclose that: (i) REV was experiencing cost inflation  
27  
28

1 across many of the commodities and services it bought; (ii) REV was experiencing  
2 difficulty obtaining the chassis necessary for production; (iii) REV's margins were being  
3 negatively impacted by a lower sales of high margin products, including custom fire  
4 apparatus, large commercial buses, and Class A RVs; (iv) REV did not have "strong  
5 visibility into future net sales" to "effectively plan" and manage its backlog of vehicles;  
6 (v) REV's manufacturing operations were not operating efficiently or at a low cost to  
7 satisfy customer demand; and (vi) as a result of the foregoing, Defendants' statements  
8 about REV's business, operations, and prospects, were materially false and/or misleading  
9 and/or lacked a reasonable basis.  
10  
11  
12

13 8. As a result of Defendants' wrongful acts and omissions, and the precipitous  
14 decline in the market value of the Company's securities, Plaintiff and other Class members  
15 have suffered significant losses and damages.  
16

### 17 **JURISDICTION AND VENUE**

18  
19 9. The claims asserted herein arise under Sections 11 and 15 of the Securities  
20 Act (15 U.S.C. §§ 77k and 77o), and Sections 10(b) and 20(a) of the Exchange Act (15  
21 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17  
22 C.F.R. § 240.10b-5).  
23

24 10. This Court has jurisdiction over the subject matter of this action pursuant to  
25 28 U.S.C. § 1331 Section 22 of the Securities Act (15 U.S.C. § 77v), and Section 27 of the  
26 Exchange Act (15 U.S.C. § 78aa).  
27  
28



1           16. Defendant Dean J. Nolden (“Nolden”) served as the Chief Financial Officer  
2 (“CFO”) of REV at all relevant times.

3           17. Defendant Thomas B. Phillips (“Phillips”) served as the COO of REV at all  
4 relevant times until June 1, 2018.

5           18. Defendants Sullivan, Nolden, and Phillips (collectively the “Exchange Act  
6 Individual Defendants”), because of their positions with the Company, possessed the  
7 power and authority to control the contents of REV’s reports to the SEC, press releases  
8 and presentations to securities analysts, money and portfolio managers and institutional  
9 investors, *i.e.*, the market. The Exchange Act Individual Defendants were provided with  
10 copies of the Company’s reports and press releases alleged herein to be misleading prior  
11 to, or shortly after, their issuance and had the ability and opportunity to prevent their  
12 issuance or cause them to be corrected. Because of their positions and access to material  
13 non-public information available to them, the Exchange Act Individual Defendants knew  
14 that the adverse facts specified herein had not been disclosed to, and were being concealed  
15 from, the public, and that the positive representations which were being made were then  
16 materially false and/or misleading. The Exchange Act Individual Defendants are liable for  
17 the false statements pleaded herein.

18           19. Defendant Paul Bamatter (“Bamatter”) signed or authorized the signing of  
19 the Company’s Registration Statement filed with the SEC as a Director of REV.

20           20. Defendant Jean Marie Canan (“Canan”) signed or authorized the signing of  
21  
22  
23  
24  
25  
26  
27  
28

1 the Company's Registration Statement filed with the SEC as a Director of REV.

2 21. Defendant Dino Cusumano ("Cusumano") signed or authorized the signing  
3 of the Company's Registration Statement filed with the SEC as a Director of REV.  
4

5 22. Defendant Charles Dutil ("Dutil") signed or authorized the signing of the  
6 Company's Registration Statement filed with the SEC as a Director of REV.  
7

8 23. Defendant Justin Fish ("Fish") signed or authorized the signing of the  
9 Company's Registration Statement filed with the SEC as a Director of REV.  
10

11 24. Defendant Joel Rotroff ("Retroff") signed or authorized the signing of the  
12 Company's Registration Statement filed with the SEC as a Director of REV.  
13

14 25. Defendants Bamatter, Canan, Cusumano, Dutil, Fish, Marvin and Rotroff are  
15 collectively referred to hereinafter as the "Securities Act Individual Defendants."

16 26. The Company and the Securities Act Individual Defendants are collectively  
17 referred to hereinafter as the "Securities Act Defendants."  
18

## 19 **SUBSTANTIVE ALLEGATIONS**

### 20 **Background**

21 27. REV purportedly designs, manufactures, and distributes specialty vehicles  
22 and related aftermarket parts and services. The Company claims to serve a customer base  
23 primarily in the United States through three segments: Fire & Emergency, Commercial,  
24 and Recreation.  
25  
26

27 28. On January 27, 2017, the SEC declared effective the Form S-1 that REV filed  
28

1 on October 24, 2016, and amended on November 23, 2016, December 23, 2016, January  
2 10, 2017 and January 17, 2017. The Form S-1 and all amendments thereto, as well as the  
3 Form S-8 filed on January 27, 2017, and Form-424B4 form part of the “Registration  
4 Statement” for the IPO.  
5

6 29. Under applicable SEC rules and regulations, the Registration Statement was  
7 required to disclose known trends, events or uncertainties that were having, and were  
8 reasonably likely to have, an impact on the Company’s continuing operations.  
9

10 30. On January 30, 2017, REV priced its IPO of 12,500,000 shares at a price of  
11 \$22.00 per share, exclusive of the underwriters’ option to purchase 1,875,000 additional  
12 shares. According to the Company, the Offering raised net proceeds of approximately  
13 \$256.7 million.  
14  
15

16 **Materially False and Misleading**  
17 **Statements Issued During the Class Period**

18 31. The Class Period begins on January 27, 2017. Prior to the start of the Class  
19 Period, on January 17, 2017, the Company filed an amendment to its Form S-1. In the  
20 amendment, the Company stated, in relevant part:  
21

22 Our business model utilizes our unique scale to drive profitable  
23 organic and acquisitive growth. We seek to gain market share by  
24 delivering high-quality products with customized attributes  
25 tailored to our customers’ product specifications, while  
26 simultaneously reducing costs and shortening delivery lead  
27 times. We aim to achieve this by standardizing and optimizing  
28 certain processes across our segments in areas including:  
procurement, engineering and product development, lean  
manufacturing, dealer management, pricing and aftermarket



1 parts sales. We believe our manufacturing and service network,  
2 consisting of 15 manufacturing facilities and 11 aftermarket  
3 service locations (called Regional Technical Centers or  
4 “RTCs”), provides us with a competitive advantage through the  
5 sharing of best practices, manufacturing flexibility based on  
6 relative facility utilization levels, delivery costs and lead times,  
7 economies of scale, customer service capabilities and a  
8 complementary distribution system. Our business consists  
9 primarily of design, engineering, integration and assembly  
10 activities, which require low levels of capital expenditures.  
11 Additionally, our business has a highly variable cost structure  
12 that results in operational flexibility which, we believe, when  
13 combined with low levels of capital expenditures, can produce  
14 high returns on invested capital. Furthermore, our broad presence  
15 across the specialty vehicle market and large manufacturing and  
16 distribution network are important differentiators in our ability  
17 to grow through acquisitions. We seek to make synergistic  
18 acquisitions that further enhance our existing market positions or  
19 enter REV into new, attractive product segments. In the past 10  
20 years, we have successfully integrated nine acquisitions and have  
21 demonstrated the ability to grow and enhance the earnings profile  
22 of acquired businesses by either consolidating acquired  
23 businesses into our existing plant footprint or by introducing  
24 REV processes into the newly acquired businesses to drive  
25 profitable growth.

19 Our management team has an average of 28 years of experience  
20 in highly specialized industrial manufacturing and aftermarket  
21 parts and services businesses. Beginning in 2014, our new  
22 leadership team introduced several initiatives to accelerate  
23 growth and improve our profitability. These initiatives included:  
24 improving brand management, strengthening distribution,  
25 implementing a centralized enterprise-wide procurement  
26 strategy, growing adjacent and aftermarket products and  
27 services, improving production processes within our facilities,  
28 driving down total cost of quality, implementing value-based  
pricing strategies and reducing fixed costs.

We have delivered strong financial and operating results from  
fiscal year 2014 to fiscal year 2016, as set forth below:

1 1) Net sales were \$1,721 million, \$1,735 million and \$1,926  
2 million for fiscal year 2014, fiscal year 2015 and fiscal  
3 year 2016, respectively, which represents a compound  
4 annual growth rate, or “CAGR,” of 3.8%;

5 2) We improved our operating performance, specifically:

- 6
- 7 • Net income was \$1.5 million, \$23 million and \$30  
8 million for fiscal year 2014, fiscal year 2015 and  
9 fiscal year 2016, respectively, which represents a  
10 CAGR of 173%;

11 Adjusted Net Income was \$14 million, \$34 million  
12 and \$55 million for fiscal year 2014, fiscal year  
13 2015 and fiscal year 2016, respectively, which  
14 represents a CAGR of 56%;

15 Adjusted EBITDA was \$62 million, \$90 million  
16 and \$127 million for fiscal year 2014, fiscal 2015  
17 and fiscal year 2016, respectively, which represents  
18 a CAGR of 27%; and

19 3) We drove approximately 148 basis points and 280 basis  
20 points of expansion in our net income and Adjusted  
21 EBITDA margins, respectively.

22 32. On March 7, 2017 the Company issued a press release entitled “REV Group.  
23 Inc. Reports Fiscal First Quarter 2017 Results and Provides Full-Year Guidance.”  
24 Therein, the Company stated, in relevant part:

- 25
- 26 • Net sales of \$443 million in the first quarter 2017 grew 19%  
27 over the prior year first quarter
  - 28 • Net loss of \$13.3 million in the first quarter 2017, primarily  
due to one-time stock compensation expense as a result of our  
IPO

- Adjusted EBITDA in the first quarter 2017 was \$21.1 million, which was 40% higher than first quarter 2016
- First quarter 2017 Adjusted net income was \$5.7 million, or \$0.11 per diluted share, up from \$0.07 per diluted share for the first quarter 2016
- The Company expects full-year fiscal 2017 consolidated net sales in the range of \$2.225 to \$2.325 billion, net income in the range of \$40 to \$43 million and Adjusted EBITDA in the range of \$150 to \$155 million

REV Group, Inc. (NYSE: REVG) today reported results for the three months ended January 28, 2017 (“first quarter 2017”). Consolidated net sales in the first quarter of 2017 were \$442.9 million, growing 18.8% over the three months ended January 30, 2016 (“first quarter 2016”). The increase was driven predominately by strong growth in the Fire & Emergency and Recreation segments. REV Group also had strong growth in first quarter 2017 in aftermarket parts sales, which grew 10.4% over first quarter 2016 as the Company continues to execute on its growth strategies.

The Company’s first quarter 2017 net loss was \$13.3 million, or (\$0.26) per diluted share. The first quarter 2017 net loss was negatively impacted by a number of one-time items which included a \$25.5 million before-tax stock compensation charge, due to our initial public offering (“IPO”), for stock options awarded prior to the IPO. REV Group’s IPO took place on January 27, 2017 and closed on February 1, 2017. Adjusted Net Income for the first quarter 2017 was \$5.7 million, or \$0.11 per diluted share, compared to \$3.9 million, or \$0.07 per diluted share, in the first quarter fiscal 2016.

Adjusted EBITDA in the first quarter 2017 was \$21.1 million, representing growth of 40.4% over Adjusted EBITDA of \$15.0 million in the first quarter 2016. The increase in Adjusted EBITDA was driven by a number of factors including higher vehicle sales, strong aftermarket parts sales, lower discounts for

1 certain vehicle categories, and ongoing procurement and  
2 production cost optimization efforts.

3 REV Group, Inc. President and CEO, Tim Sullivan said “We are  
4 pleased to report strong results for our initial quarter as a public  
5 company. Our first quarter 2017 results demonstrate solid  
6 execution of the ongoing plan to scale our 27 market leading  
7 specialty vehicle brands and meet our long-term target of  
8 generating company-wide Adjusted EBITDA margins of 10%.  
9 Our strategic efforts to increase profitability were evident in our  
10 results. Sales growth was driven by strong end-market demand,  
11 gains in market share and our new product initiatives. Our strong  
12 results serve as a testament to the hard work of our employees  
13 who are executing our strategies on a daily basis.”

14 33. On March 7, 2017, the Company filed its 10-Q with the SEC and reaffirmed  
15 the financial results announced in the press release issued the same day.

16 34. On June 7, 2017 the Company issued a press release entitled “REV Group,  
17 Inc. Reports Strong Fiscal Second Quarter 2017 Results and Provides Updated Full Fiscal  
18 Year Guidance.” Therein, the Company stated, in relevant part:

- 19 • Net sales of \$545.3 million in the second quarter 2017 grew  
20 14% over the prior year second quarter
- 21 • Net income of \$6.8 million in the second quarter 2017  
22 declined 15% over the prior year second quarter due to the  
23 impact of one-time expenses (primarily costs associated with  
24 early extinguishment of debt)
- 25 • Adjusted Net Income in second quarter 2017 was \$19.0  
26 million, which was 33% higher than second quarter 2016
- 27 • Adjusted EBITDA in the second quarter 2017 was \$37.6  
28 million, which was 16% higher than the prior year quarter
- Year-to-date fiscal 2017 Adjusted EBITDA of \$58.7 million

represents a 24% increase over the prior year first half results

- Completed two accretive, synergistic tuck-in acquisitions that broaden REV's product portfolio and strengthen its position in each of its three segments
- Accelerated and enlarged organic investment in capital expenditure projects (e.g. investments in IT and our parts and service business, among others) which will drive growth in future fiscal years
- Updated outlook for full-year fiscal 2017 reflects increasing consolidated net sales expectation in the range of \$2.3 to \$2.4 billion, net income in the range of \$36 to \$39 million and increasing Adjusted EBITDA expectation in the range of \$157 to \$162 million

REV Group, Inc. (NYSE: REVG) today reported results for the three months ended April 29, 2017 ("second quarter 2017"). Consolidated net sales in the second quarter of 2017 were \$545.3 million, growing 13.6% over the three months ended April 30, 2016 ("second quarter 2016"). The increase was driven predominately by strong growth in the Fire & Emergency and Recreation segments. Year-to-date consolidated net sales were \$988.3 million for the six months ended April 29, 2017, which was an increase of 15.9% over the first six months of fiscal 2016.

The Company's second quarter 2017 net income was \$6.8 million, or \$0.10 per diluted share. Second quarter 2017 net income was impacted by a number of one-time items that included an \$11.9 million charge from the early extinguishment of debt following the Company's initial public offering ("IPO") and repayment of its Senior Secured Notes, as well as its April 2017 debt refinancing. Adjusted Net Income for the second quarter 2017 of \$19.0 million, or \$0.29 per diluted share, grew 33.0% compared to \$14.3 million, or \$0.28 per diluted share, in the second quarter fiscal 2016 (second quarter 2016 contained fewer outstanding shares). Net income for the first six months of fiscal 2017 was a loss of \$6.5 million, or a loss of \$0.11 per diluted share due to several one-time expense items, the largest

1 of which related to the IPO and debt refinancings referenced  
2 above.

3 Year-to-date Adjusted Net Income was \$24.8 million for the first  
4 half of fiscal 2017 compared to \$18.2 million for the first six  
5 months of fiscal 2016, which represents an increase of 36.4% due  
6 to higher earnings from operations as well as lower interest  
7 expense.

8 Adjusted EBITDA in the second quarter 2017 was \$37.6 million,  
9 representing growth of 16.1% over Adjusted EBITDA of \$32.3  
10 million in the second quarter 2016. The increase in Adjusted  
11 EBITDA was driven by a number of factors including higher  
12 vehicle sales, strong aftermarket parts sales, impact of  
13 acquisitions, ongoing procurement.

14 35. On June 7, 2017, the Company filed its 10-Q with the SEC and reaffirmed  
15 the financial results announced in the press release issued the same day.

16 36. On September 7, 2017 the Company issued a press release entitled "REV  
17 Group, Inc. Reports Strong Third Quarter 2017 Results, Reaffirms Full- Year 2017  
18 Guidance." Therein, the Company stated, in relevant part:

- 19 • Net sales of \$595.6 million in the third quarter 2017 grew  
20 13% over the prior year third quarter
- 21 • Net income of \$15.2 million in the third quarter 2017 grew  
22 16% over the prior year third quarter
- 23 • Adjusted Net Income in third quarter 2017 was \$21.9 million,  
24 36% higher than third quarter 2016
- 25 • Adjusted EBITDA in the third quarter 2017 was \$45.5  
26 million, 36% higher than the prior year quarter
- 27 • Year-to-date 2017 Adjusted EBITDA of \$104.1 million  
28 represents a 29% increase over prior year results

- Announces collaboration with Ford Motor Company dealers to offer REV's dealers a complete catalog of genuine Ford chassis parts
- Officially awarded the Los Angeles County transit bus contract expected to be worth over \$400 million in revenue over five years
- Announces the acquisition of AutoAbility, a technology leader and manufacturer of rear-entry mobility vans
- Reaffirming full-year 2017 outlook for net sales of \$2.3 to \$2.4 billion, and Adjusted EBITDA of \$157 to \$162 million; net income anticipated in the range of \$36 to \$39 million.

REV Group, Inc. (NYSE: REVG) today reported results for the three months ended July 29, 2017 ("third quarter 2017"). Consolidated net sales in the third quarter of 2017 were \$595.6 million, growing 12.8% over the three months ended July 30, 2016 ("third quarter 2016"). This increase was driven by strong growth in the Fire & Emergency and Recreation segments, offset slightly by the impact of a chassis recall, which delayed shipments in both the Fire & Emergency and Commercial segments. The sanctioned repair for these recalled chassis is being implemented and the impacted REV vehicle conversions will be shipped in REV's fourth quarter. Year-to-date consolidated net sales were \$1.6 billion for the nine months ended July 29, 2017, which was an increase of 14.7% over the first nine months of fiscal 2016.

The Company's third quarter 2017 net income was \$15.2 million, or \$0.23 per diluted share. Adjusted Net Income for the third quarter 2017 was \$21.9 million, or \$0.33 per diluted share, which grew 36.3% compared to \$16.0 million, or \$0.31 per diluted share, in the third quarter 2016 (third quarter 2017 diluted earnings per share is calculated using 14.0 million more shares outstanding than the prior year quarter). Net income for the first nine months of 2017 was \$8.7 million, or \$0.14 per diluted share due to several one-time expense items, the largest of which related to our IPO and subsequent debt refinancings. Year-to-



1 date Adjusted Net Income was \$46.7 million for the first nine  
2 months of 2017 compared to \$34.2 million for the first nine  
3 months of 2016, which represents an increase of 36.4% resulting  
4 from higher earnings from operations as well as lower interest  
expense.

5 37. On September 7, 2017, the Company filed its 10-Q with the SEC and  
6 reaffirmed the financial results announced in the press release issued the same day.

7  
8 38. On December 19, 2017, the Company issued a press release entitled  
9 “REVGROUP, INC. REPORTS FISCAL 2017 FOURTH QUARTER AND FULL YEAR  
10 RESULTS.” Therein, the Company stated, in relevant part:

- 11  
12 • Net sales growth of 26 percent, net income growth of 88  
13 percent, and Adjusted EBITDA growth of 39 percent for the  
14 fourth quarter versus the comparable quarter in the prior year
- 15 • Fourth quarter and full fiscal year 2017 net income of \$22.7  
16 million and \$31.4 million, respectively
- 17 • Fourth quarter and full fiscal year 2017 Adjusted EBITDA of  
18 \$58.4 million and \$162.5 million, respectively
- 19 • Reaffirms full-year fiscal 2018 outlook for net sales of \$2.4  
20 to \$2.7 billion, and Adjusted EBITDA of \$200 to \$220  
21 million

22 REVGGroup, Inc. (NYSE: REVG) today reported results for the  
23 three months ended October 31, 2017 (“fourth quarter 2017”).  
24 Consolidated net sales in the fourth quarter of 2017 were \$683.9  
25 million, growing 25.5 percent over the three months ended  
26 October 29, 2016 (“fourth quarter 2016”). This increase was  
27 driven by strong growth in the Fire & Emergency and Recreation  
28 segments. Consolidated net sales were \$2.27 billion for the  
twelve months ended October 31, 2017 (“full year 2017”), which  
was an increase of 17.7 percent over the twelve months ended  
October 29, 2016 (“full year 2016”).



1 The Company's fourth quarter 2017 net income was \$22.7  
2 million, or \$0.35 per diluted share. Adjusted Net Income for the  
3 fourth quarter 2017 was \$29.2 million, or \$0.44 per diluted share,  
4 which grew 54.5 percent compared to \$18.9 million, or \$0.37 per  
5 diluted share, in the fourth quarter 2016 (fourth quarter 2017  
6 diluted earnings per share is calculated using 14.3 million more  
7 shares outstanding than the prior year quarter). Net income for  
8 the full year 2017 was \$31.4 million, or \$0.50 per diluted share.  
9 Full year 2017 net income was negatively impacted by several  
10 one-time expense items, the largest of which related to our IPO  
11 and subsequent debt refinancings. Full year 2017 Adjusted Net  
12 Income was \$75.9 million compared to \$53.2 million for the full  
13 year 2016, which represents an increase of 42.7 percent resulting  
14 from higher earnings from operations, positive impact from our  
15 acquisitions, as well as lower interest expense.

16 Adjusted EBITDA in the fourth quarter 2017 was \$58.4 million,  
17 representing growth of 39.1 percent over Adjusted EBITDA of  
18 \$42.0 million in the fourth quarter 2016. A number of factors  
19 including increased vehicle sales, ongoing procurement and  
20 production cost optimization initiatives, strategic pricing actions,  
21 and the impact of acquisitions drove the higher Adjusted  
22 EBITDA in the quarter. Full year 2017 Adjusted EBITDA was  
23 \$162.5 million, which reflects a 32.3 percent increase over full  
24 year 2016.

25 REVGroup, Inc. President and CEO, Tim Sullivan said, "We are  
26 pleased to report another quarter of strong earnings and year-  
27 over-year growth. Our strong fourth quarter completed the first  
28 successful year for REV Group as a public company. The  
combination of successful commercial and product strategies,  
higher sales volumes and our team's focus on operational  
improvement initiatives drove improved profit margins across all  
our businesses on a year over year basis. I am proud to report 18  
percent sales growth and 32 percent growth in Adjusted EBITDA  
in 2017, but even more importantly, I am pleased to report that  
all three of our segments continue to have strong.

39. On December 21, 2017, the Company filed its 10-K with the SEC and

1 reaffirmed the financial results announced in the press release issued on December 19,  
2 2017.

3 40. On March 7, 2018 the Company issued a press release entitled “REV Group,  
4 Inc. Reports Fiscal 2018 First Quarter Results.” Therein, the Company stated, in relevant  
5 part:  
6

7  
8 REV Group, Inc. (NYSE: REVG) today reported results for the  
9 three months ended January 31, 2018 (“first quarter 2018”).  
10 Consolidated net sales in the first quarter 2018 were \$514.9  
11 million, an increase of 16.2 percent over the three months ended  
12 January 28, 2017 (“first quarter 2017”). This increase reflects  
13 sales growth in each of the Company’s reported operating  
14 segments which was partially driven by the impact of  
15 acquisitions.

16 “Fiscal year 2018 is off to a good start as we saw continued  
17 growth across most of our product categories and we remain on  
18 track to meet our full year objectives,” said Tim Sullivan, CEO  
19 REV Group, Inc.

20 “We continue to remain highly focused on the execution of our  
21 commercial, product and operating strategies to improve  
22 profitability as we work towards our long-term goal of an  
23 enterprise-wide EBITDA margin in excess of 10 percent.  
24 Additionally, we continued to execute on our disciplined capital  
25 allocation strategy with the acquisition of Lance Camper this  
26 quarter, which enables our entry into the large and fast growing  
27 towables RV market. With a strong backlog of \$1.24 billion we  
28 expect to continue to see improving operating leverage in the  
business and thus expect earnings growth to exceed sales growth  
in fiscal year 2018.”

29 The Company’s first quarter 2018 net income was \$9.4 million,  
30 or \$0.14 per diluted share compared to a net loss of \$13.3 million,  
31 or \$0.26 per diluted share in the first quarter of 2017. First quarter  
2018 net income improved as a result of higher earnings from

1 operations, the benefit of acquisitions, lower interest expense,  
2 and the favorable impact of recently enacted U.S. tax reform.  
3 Adjusted Net Income for the first quarter 2018 was \$9.7 million,  
4 or \$0.15 per diluted share, which grew 72.0 percent compared to  
5 \$5.7 million, or \$0.11 per diluted share, in the first quarter 2017.

6 Adjusted EBITDA in the first quarter 2018 was \$21.3 million,  
7 representing growth of 0.9 percent over Adjusted EBITDA of  
8 \$21.1 million in the first quarter 2017. Adjusted EBITDA  
9 performance during the quarter benefited from higher net sales  
10 and earnings from certain business segments as well as the  
11 impact of acquisitions.

12 \* \* \*

### 13 **Fiscal 2018 Full Year Outlook**

14 Mr. Sullivan concluded, “First quarter results were in-line with  
15 our expectations and our view of end market demand and macro  
16 conditions remains consistent with prior expectations. Therefore,  
17 we are reaffirming our prior guidance and are still expecting full  
18 fiscal year 2018 revenues of \$2.4 to \$2.7 billion and Adjusted  
19 EBITDA of \$200 to \$220 million. Based on first quarter results,  
20 we are updating our expectation of full fiscal year 2018 net  
21 income to be in the range of \$90 to \$110 million and Adjusted  
22 Net Income to be in the range of \$110 to \$125 million.”

23 41. On the same day, March 7, 2018, REV filed its quarterly report with the SEC  
24 on Form 10-Q for the quarterly period ended January 31, 2018. The Company’s 10-Q was  
25 signed by Defendants Sullivan and Nolden and reaffirmed the financial results announced  
26 in the press release issued the same day.

27 42. The above statements identified in ¶¶ 31-41 were materially false and/or  
28 misleading, and failed to disclose material adverse facts about the Company’s business,  
operations, and prospects. Specifically, Defendants failed to disclose that: (i) REV was

1 experiencing cost inflation across many of the commodities and services it bought; (ii)  
2 REV was experiencing difficulty obtaining the chassis necessary for production; (iii)  
3 REV's margins were being negatively impacted by a lower sales of high margin products,  
4 including custom fire apparatus, large commercial buses, and Class A RVs; (iv) REV did  
5 not have "strong visibility into future net sales" to "effectively plan" and manage its  
6 backlog of vehicles; (v) REV's manufacturing operations were not operating efficiently or  
7 at a low cost to satisfy customer demand; and (vi) as a result of the foregoing, Defendants'  
8 statements about REV's business, operations, and prospects, were materially false and/or  
9 misleading and/or lacked a reasonable basis.

13 **Disclosures at the End of the Class Period**

14  
15 43. On June 6, 2018, after stock market close, REV issued a press release entitled  
16 "REV Group, Inc. Reports Fiscal 2018 Second Quarter Results." Therein, the Company  
17 disclosed that its second quarter 2018 results were below expectations due to "cost  
18 inflation" across many of the commodities and services the Company buys, the  
19 unavailability of chassis, and a negative impact on margins attributed to "lower-than-  
20 expected sales of certain higher-content product categories including custom fire  
21 apparatus, large commercial buses, and Class A RVs." The Company also lowered its  
22 fiscal year 2018 guidance—predicting "[f]ull-year 2018 revenue of \$2.4 to \$2.6 billion"  
23 compared to "\$2.4 to \$2.7 billion" announced earlier, and "Net Income of \$72 to \$87  
24 million" compared to "\$90 to \$110 million" announced earlier. In greater part, the  
25  
26  
27  
28

Company stated:

REV Group, Inc. (NYSE: REVG), a manufacturer of industry-leading specialty vehicle brands, today reported results for the three months ended April 30, 2018 (“second quarter 2018”). Consolidated net sales in the second quarter 2018 were \$608.9 million, representing growth of 11.7% over the three months ended April 29, 2017 (“second quarter 2017”). The Company’s second quarter 2018 net income was \$7.4 million, or \$0.11 per diluted share. Adjusted net income for the second quarter 2018 was \$15.6 million, or \$0.24 per diluted share, a decline of 17.9% compared to \$19.0 million, or \$0.29 per diluted share, in the second quarter 2017. Adjusted EBITDA<sup>2</sup> in the second quarter 2018 was \$34.1 million, representing a decline of 9.2% compared to adjusted EBITDA of \$37.6 million in the second quarter 2017. The Company ended the quarter with total backlog of \$1,270.5 million, representing growth quarter over quarter and year over year.

“Our fiscal second quarter results were below our expectations and were impacted by a number of factors.” commented Tim Sullivan, CEO of REV Group. “In particular, cost inflation across many of the commodities and services we buy was significant in the quarter and due to the length of our backlogs we were not able to mitigate these increases. We estimate the cost inflation will have an approximate \$19 million impact on our current fiscal year. Additionally, production and sales at several of our business units were adversely impacted by the availability of chassis. Finally, margins were impacted by lower-than-expected sales of certain higher-content product categories including custom fire apparatus, large commercial buses, and Class A RVs.”

“Longer term, in response to these factors, we have taken mitigating action across our business to drive targeted margin expansion. First, we have implemented price increases and surcharges to offset material and service cost increases for all new orders. Second, we have implemented a series of significant cost and spending reduction actions including: supply chain actions, consolidations of certain facilities, and reductions in

1 overhead headcount and spending. We estimate these actions  
2 will result in annualized savings of \$20 million and they are  
3 already fully implemented as of today. Given the length of our  
4 backlogs, we estimate the impact on EBITDA of these price  
5 actions will be approximately \$7 million for fiscal year 2018.  
6 Third, we have continued to add talent in several key areas of our  
7 business that we believe will help accelerate our long-term  
8 growth objectives, including the recent addition of Ian Walsh as  
9 our new Chief Operating Officer.”

10 Mr. Sullivan concluded, “While we’ve revised our full-year  
11 outlook downward, we still expect to generate solid financial  
12 performance this year, with approximately 10% sales growth and  
13 Adjusted EBITDA growth of approximately 11% at the midpoint  
14 of our guidance range. We are foundationally supported by the  
15 continued strength in our order activity, the growth in our  
16 backlogs, and our market positions remain strong. The margin  
17 improvement initiatives we implemented during the second  
18 quarter will help us drive performance improvement in the back  
19 half of this year, and we expect to close the year with good  
20 momentum as approximately 70% of full-year Adjusted  
21 EBITDA is expected to be generated during the third and fourth  
22 quarters, consistent with our historic seasonality. Finally, we’ll  
23 continue to remain active in the M&A market and are committed  
24 to efficient and shareholder-friendly capital allocation policies.  
25 We opportunistically repurchased approximately \$5 million of  
26 our shares during the second quarter, in addition to our ongoing  
27 capex investments and our regular quarterly dividend.”

28 \* \* \*

### **Fiscal 2018 Full Year Outlook**

29 As a result of lower-than-expected second-quarter performance  
30 due to the negative factors discussed above which are impacting  
31 the Company’s margins, REV has revised its full-year outlook.  
32 The Company now expects full-year 2018 results in the  
33 following ranges:

- Full-year 2018 revenue of \$2.4 to \$2.6 billion



- Adjusted EBITDA of \$175 to \$185 million
- Net Income of \$72 to \$87 million
- Adjusted Net Income of \$94 to \$105 million

44. On the same day, June 6, 2018, after announcing its Q2 2018 financial results, the Company issued a press release entitled “REV Group, Inc. Appoints Ian Walsh as Chief Operating Officer.” Therein, the Company disclosed that Defendant Phillips was replaced by Ian Walsh, effective June 1, 2018. In greater part, the Company stated:

REV Group, Inc. (NYSE:REVG), a manufacturer of industry-leading specialty vehicle brands, today announced that Ian Walsh has been appointed Chief Operating Officer, effective June 1, 2018. Mr. Walsh replaces Thomas Phillips, who will remain at the Company in an advisory capacity through the end of fiscal year 2018 in order to ensure a smooth transition.

45. The next day, June 7, 2018, the Company held a conference call to discuss its Q2 2018 results. On the call, Defendant Sullivan, elaborated on the Company’s poor Q2 2018 financial results. In relevant part, Defendant Sullivan stated:

Now, for the challenges. Two of our higher-quality business units struggled in the first two quarters this year. In our Commercial segment, our Collins school bus business declined to participate in a very large prebate requested by one of our school bus contractors. This adversely affected our first half 2018 performance, but we believe this was ultimately the right decision for the business and we believe we can recover and get close to plan by the end of fiscal 2018 with new traditional school bus and contractor sales opportunities.

Additionally, our transit bus business, which is also in our Commercial segment, is facing a short-term delay in activity between the end of our Chicago City contract and the beginning

1 of our forthcoming Los Angeles county contract. As a result, our  
2 transit bus business will be below our plan for the full year, but  
3 we anticipate a return to higher production and profitability  
4 levels for this business in fiscal 2019.

5 \* \* \*

6 Now, let's talk about our supply chain. We've experienced  
7 significant and rapid cost inflation during the second quarter,  
8 within both our material supply chain, but also in our service  
9 supply chains, items like freight-in, freight-out, for example,  
10 which we were unable to offset in the quarter. As a matter of  
11 practice, we purchase many elements of our cost base well in  
12 advance in order to match backlogs with necessary inputs.

13 For example, we have approximately 60% of our aluminum  
14 spend purchased ahead through calendar year 2018 at historical  
15 prices. Nevertheless, the combination of the announced tariffs  
16 and the resulting turmoil has created pricing opportunity for our  
17 suppliers. In the past two months alone, we have seen almost \$19  
18 million in cost increases on an annualized basis, which breaks  
19 down to \$6 million in the first half of the year and \$13 million in  
20 the back half of the year.

21 Clearly, this is disturbing, particularly when a large portion of  
22 the price increases are not related to steel and aluminum, which  
23 are the current targets of the tariffs. The tariffs have also created  
24 unpredicted consequences. As soon as tariffs were suggested,  
25 there was a run on many of the commercial chassis we purchase  
26 and convert.

27 We are paying extra freight charges to get the chassis we need  
28 for the second half shipments. Over the last 60 days alone, this  
has resulted in approximately \$1 million additional cost. We now  
need to get certain chassis shipped via truck due to railcar  
shortages based on what we believe to be abnormal and artificial  
demand.

In efforts to maximize our throughput time despite these  
inefficiencies, in some cases, we have decided to build some



1 products on racks while we wait for chassis deliveries. This  
2 creates additional labor hours and expenses and labor availability  
3 and stability in some locations like high-density Elkhart, Indiana,  
4 which has resulted in some escalation of labor costs.

5 This is a 30,000-foot macro view of the near-term supply chain  
6 inefficiencies we're facing, but there were two additional smaller  
7 events that exasperated these near-term challenges during the  
8 second quarter. First, the move of Mercedes-Benz Sprinter van  
9 production from Germany to the United States market has made  
10 on-time deliveries challenging and a recent plant fire of a key  
11 supplier to most of our domestic chassis manufacturers caused  
12 productions shutdowns, in some cases up to four weeks.

13 \* \* \*

14 While cost and chassis were a big part of the story of the quarter,  
15 we experienced an unfavorable sales mix as well. In particular,  
16 our mix of sales for the quarter had less of many of our higher  
17 content and gross margin product segments, including large  
18 commercial buses, custom fire apparatus and certain RV, bus and  
19 ambulance products. Some of the mix miss this quarter will  
20 recover in the second half of this year, but for certain products  
21 such as transit buses and certain Class A RV models, we will not  
22 likely make up the loss sales mix in the second half.

23 Based on all the factors I just discussed, we are adjusting our  
24 guidance downward for the remainder of fiscal 2018. Dean will  
25 detail the specific changes to our outlook shortly, but the  
26 midpoint of our revised guidance ranges translates to revenue  
27 growth of approximately 10% and adjusted EBITDA growth of  
28 approximately 11% year-over-year.

46. On this news, REV's share price fell \$3.39, or 18.9%, to close at \$14.52 on  
June 7, 2018, on unusually heavy trading volume.

### **CLASS ACTION ALLEGATIONS**

47. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil

1 Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that  
2 acquired REV securities: (1) pursuant and/or traceable to the Company's Registration  
3 Statement issued in connection with the Company's IPO, seeking to recover compensable  
4 damages caused by Defendants' violations of Sections 11 and 15 of the Securities Act;  
5 and/or (2) between January 27, 2017 and June 7, 2018, inclusive, seeking to pursue  
6 remedies under the Exchange Act. Excluded from the Class are Defendants, the officers  
7 and directors of the Company, at all relevant times, members of their immediate families  
8 and their legal representatives, heirs, successors, or assigns, and any entity in which  
9 Defendants have or had a controlling interest.

13 48. The members of the Class are so numerous that joinder of all members is  
14 impracticable. Throughout the Class Period, REV's common stock actively traded on the  
15 NYSE. While the exact number of Class members is unknown to Plaintiff at this time and  
16 can only be ascertained through appropriate discovery, Plaintiff believes that there are at  
17 least hundreds or thousands of members in the proposed Class. Millions of REV shares  
18 were traded publicly during the Class Period on the NYSE. As of June 5, 2018, REV had  
19 64,380,745 shares of common stock outstanding. Record owners and other members of  
20 the Class may be identified from records maintained by REV or its transfer agent and may  
21 be notified of the pendency of this action by mail, using the form of notice similar to that  
22 customarily used in securities class actions.

27 49. Plaintiff's claims are typical of the claims of the members of the Class as all  
28

1 members of the Class are similarly affected by Defendants' wrongful conduct in violation  
2 of federal law that is complained of herein.

3 50. Plaintiff will fairly and adequately protect the interests of the members of the  
4 Class and has retained counsel competent and experienced in class and securities litigation.  
5

6 51. Common questions of law and fact exist as to all members of the Class and  
7 predominate over any questions solely affecting individual members of the Class. Among  
8 the questions of law and fact common to the Class are:  
9

10 (a) whether the federal securities laws were violated by Defendants' acts  
11 as alleged herein;  
12

13 (b) whether statements made by Defendants to the investing public during  
14 the Class Period omitted and/or misrepresented material facts about the business,  
15 operations, and prospects of REV Group; and  
16

17 (c) to what extent the members of the Class have sustained damages and  
18 the proper measure of damages.  
19

20 52. A class action is superior to all other available methods for the fair and  
21 efficient adjudication of this controversy since joinder of all members is impracticable.  
22 Furthermore, as the damages suffered by individual Class members may be relatively  
23 small, the expense and burden of individual litigation makes it impossible for members of  
24 the Class to individually redress the wrongs done to them. There will be no difficulty in  
25 the management of this action as a class action.  
26  
27  
28

**UNDISCLOSED ADVERSE FACTS**

53. The market for REV's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, REV's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired REV's securities relying upon the integrity of the market price of the Company's securities and market information relating to REV Group, and have been damaged thereby.

54. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of REV's securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. The statements and omissions were materially false and/or misleading because they failed to disclose material adverse information and/or misrepresented the truth about REV's business, operations, and prospects as alleged herein.

55. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about REV's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of

1 creating in the market an unrealistically positive assessment of the Company and its  
2 financial well-being and prospects, thus causing the Company's securities to be  
3 overvalued and artificially inflated at all relevant times. Defendants' materially false  
4 and/or misleading statements during the Class Period resulted in Plaintiff and other  
5 members of the Class purchasing the Company's securities at artificially inflated prices,  
6 thus causing the damages complained of herein when the truth was revealed.  
7

### 8 **LOSS CAUSATION**

9  
10 56. Defendants' wrongful conduct, as alleged herein, directly and proximately  
11 caused the economic loss suffered by Plaintiff and the Class.  
12

13 57. During the Class Period, Plaintiff and the Class purchased REV's securities  
14 at artificially inflated prices and were damaged thereby. The price of the Company's  
15 securities significantly declined when the misrepresentations made to the market, and/or  
16 the information alleged herein to have been concealed from the market, and/or the effects  
17 thereof, were revealed, causing investors' losses.  
18  
19

### 20 **SCIENTER ALLEGATIONS**

21 58. As alleged herein, Defendants acted with scienter since Defendants knew that  
22 the public documents and statements issued or disseminated in the name of the Company  
23 were materially false and/or misleading; knew that such statements or documents would  
24 be issued or disseminated to the investing public; and knowingly and substantially  
25 participated or acquiesced in the issuance or dissemination of such statements or  
26  
27  
28

documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, the Individual Defendants, by virtue of their receipt of information reflecting the true facts regarding REV Group, their control over, and/or receipt and/or modification of REV's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning REV Group, participated in the fraudulent scheme alleged herein.

**APPLICABILITY OF PRESUMPTION OF RELIANCE  
(FRAUD-ON-THE-MARKET DOCTRINE)**

59. The market for REV's securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, REV's securities traded at artificially inflated prices during the Class Period. On March 7, 2018, the Company's stock price closed at a Class Period high of \$27.15 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of REV's securities and market information relating to REV Group, and have been damaged thereby.

60. During the Class Period, the artificial inflation of REV's stock was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about REV's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of

1 REV and its business, operations, and prospects, thus causing the price of the Company's  
2 securities to be artificially inflated at all relevant times, and when disclosed, negatively  
3 affected the value of the Company stock. Defendants' materially false and/or misleading  
4 statements during the Class Period resulted in Plaintiff and other members of the Class  
5 purchasing the Company's securities at such artificially inflated prices, and each of them  
6 has been damaged as a result.  
7

8  
9 61. At all relevant times, the market for REV's securities was an efficient market  
10 for the following reasons, among others:  
11

12 (a) REV stock met the requirements for listing, and was listed and actively  
13 traded on the NYSE, a highly efficient and automated market;  
14

15 (b) As a regulated issuer, REV filed periodic public reports with the SEC  
16 and/or the NYSE;  
17

18 (c) REV regularly communicated with public investors via established  
19 market communication mechanisms, including through regular dissemination of press  
20 releases on the national circuits of major newswire services and through other wide-  
21 ranging public disclosures, such as communications with the financial press and other  
22 similar reporting services; and/or  
23

24 (d) REV was followed by securities analysts employed by brokerage firms  
25 who wrote reports about the Company, and these reports were distributed to the sales force  
26 and certain customers of their respective brokerage firms. Each of these reports was  
27  
28

1 publicly available and entered the public marketplace.

2 62. As a result of the foregoing, the market for REV's securities promptly  
3 digested current information regarding REV from all publicly available sources and  
4 reflected such information in REV's stock price. Under these circumstances, all purchasers  
5 of REV's securities during the Class Period suffered similar injury through their purchase  
6 of REV's securities at artificially inflated prices and a presumption of reliance applies.  
7

8 63. A Class-wide presumption of reliance is also appropriate in this action under  
9 the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S.  
10 128 (1972), because the Class's claims are, in large part, grounded on Defendants' material  
11 misstatements and/or omissions. Because this action involves Defendants' failure to  
12 disclose material adverse information regarding the Company's business operations and  
13 financial prospects—information that Defendants were obligated to disclose—positive  
14 proof of reliance is not a prerequisite to recovery. All that is necessary is that the facts  
15 withheld be material in the sense that a reasonable investor might have considered them  
16 important in making investment decisions. Given the importance of the Class Period  
17 material misstatements and omissions set forth above, that requirement is satisfied here.  
18  
19  
20  
21  
22

23 **NO SAFE HARBOR**

24 64. The statutory safe harbor provided for forward-looking statements under  
25 certain circumstances does not apply to any of the allegedly false statements pleaded in  
26 this Complaint. The statements alleged to be false and misleading herein all relate to then-  
27  
28



1 existing facts and conditions. In addition, to the extent certain of the statements alleged to  
2 be false may be characterized as forward looking, they were not identified as “forward-  
3 looking statements” when made and there were no meaningful cautionary statements  
4 identifying important factors that could cause actual results to differ materially from those  
5 in the purportedly forward-looking statements. In the alternative, to the extent that the  
6 statutory safe harbor is determined to apply to any forward-looking statements pleaded  
7 herein, Defendants are liable for those false forward-looking statements because at the  
8 time each of those forward-looking statements was made, the speaker had actual  
9 knowledge that the forward-looking statement was materially false or misleading, and/or  
10 the forward-looking statement was authorized or approved by an executive officer of REV  
11 who knew that the statement was false when made.  
12  
13  
14  
15

16 **FIRST CLAIM**  
17 **Violation of Section 11 of the Securities Act**  
18 **Against the Securities Act Defendants**

19 65. Plaintiff repeats and re-alleges each and every allegation contained above as  
20 if fully set forth herein, except any allegation of fraud, recklessness or intentional  
21 misconduct.  
22

23 66. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C.  
24 § 77k, on behalf of the Class, against the Securities Act Defendants.  
25

26 67. The Registration Statement for the IPO was inaccurate and misleading,  
27 contained untrue statements of material facts, omitted to state other facts necessary to  
28

1 make the statements made not misleading, and omitted to state material facts required to  
2 be stated therein.

3 68. REV is the registrant for the IPO. The Securities Act Defendants named  
4  
5 herein were responsible for the contents and dissemination of the Registration Statement.

6 69. As issuer of the shares, REV is strictly liable to Plaintiff and the Class for the  
7  
8 misstatements and omissions.

9 70. None of the Securities Act Defendants named herein made a reasonable  
10  
11 investigation or possessed reasonable grounds for the belief that the statements contained  
12  
13 in the Registration Statement were true and without omissions of any material facts and  
14 were not misleading.

15 71. By reasons of the conduct herein alleged, each Section 11 Defendant violated,  
16  
17 and/or controlled a person who violated Section 11 of the Securities Act.

18 72. Plaintiff acquired REV shares pursuant and/or traceable to the Registration  
19  
20 Statement for the IPO.

21 73. Plaintiff and the Class have sustained damages. The value of REV shares has  
22  
23 declined substantially subsequent to and due to the Securities Act Defendants' violations.

24 **SECOND CLAIM**  
25 **Violation of Section 15 of the Securities Act**  
26 **Against the Securities Act Individual Defendants**

27 74. Plaintiff repeats and re-alleges each and every allegation contained above as  
28  
if fully set forth herein, except any allegation of fraud, recklessness or intentional

1 misconduct.

2 75. This count is asserted against the Securities Act Individual Defendants and is  
3 based upon Section 15 of the Securities Act.  
4

5 76. The Securities Act Individual Defendants, by virtue of their offices,  
6 directorship, and specific acts were, at the time of the wrongs alleged herein and as set  
7 forth herein, controlling persons of REV within the meaning of Section 15 of the Securities  
8 Act. The Securities Act Individual Defendants had the power and influence and exercised  
9 the same to cause REV to engage in the acts described herein.  
10  
11

12 77. The Securities Act Individual Defendants' positions made them privy to and  
13 provided them with actual knowledge of the material facts concealed from Plaintiff and  
14 the Class.  
15

16 78. By virtue of the conduct alleged herein, the Securities Act Individual  
17 Defendants are liable for the aforesaid wrongful conduct and are liable to Plaintiff and the  
18 Class for damages suffered.  
19

20 **THIRD CLAIM**  
21 **Violation of Section 10(b) of The Exchange Act and**  
22 **Rule 10b-5 Promulgated Thereunder**  
23 **Against the Company and the Exchange Act Individual Defendants**

24 79. Plaintiff repeats and re-alleges each and every allegation contained above as  
25 if fully set forth herein.

26 80. During the Class Period, the Company and the Exchange Act Individual  
27 Defendants carried out a plan, scheme and course of conduct which was intended to and,  
28

1 throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and  
2 other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the  
3 Class to purchase REV's securities at artificially inflated prices. In furtherance of this  
4 unlawful scheme, plan and course of conduct, Defendants, and each defendant, took the  
5 actions set forth herein.  
6

7  
8 81. The Company and the Exchange Act Individual Defendants (i) employed  
9 devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact  
10 and/or omitted to state material facts necessary to make the statements not misleading; and  
11 (iii) engaged in acts, practices, and a course of business which operated as a fraud and  
12 deceit upon the purchasers of the Company's securities in an effort to maintain artificially  
13 high market prices for REV's securities in violation of Section 10(b) of the Exchange Act  
14 and Rule 10b-5. The Company and the Exchange Act Individual Defendants are sued  
15 either as primary participants in the wrongful and illegal conduct charged herein or as  
16 controlling persons as alleged below.  
17  
18  
19

20 82. The Company and the Exchange Act Individual Defendants, individually and  
21 in concert, directly and indirectly, by the use, means or instrumentalities of interstate  
22 commerce and/or of the mails, engaged and participated in a continuous course of conduct  
23 to conceal adverse material information about REV's financial well-being and prospects,  
24 as specified herein.  
25  
26

27 83. The Company and the Exchange Act Individual Defendants employed  
28

1 devices, schemes and artifices to defraud, while in possession of material adverse non-  
2 public information and engaged in acts, practices, and a course of conduct as alleged herein  
3 in an effort to assure investors of REV's value and performance and continued substantial  
4 growth, which included the making of, or the participation in the making of, untrue  
5 statements of material facts and/or omitting to state material facts necessary in order to  
6 make the statements made about REV and its business operations and future prospects in  
7 light of the circumstances under which they were made, not misleading, as set forth more  
8 particularly herein, and engaged in transactions, practices and a course of business which  
9 operated as a fraud and deceit upon the purchasers of the Company's securities during the  
10 Class Period.  
11  
12  
13

14 84. Each of the Individual Defendants' primary liability and controlling person  
15 liability arises from the following facts: (i) the Individual Defendants were high-level  
16 executives and/or directors at the Company during the Class Period and members of the  
17 Company's management team or had control thereof; (ii) each of these defendants, by  
18 virtue of their responsibilities and activities as a senior officer and/or director of the  
19 Company, was privy to and participated in the creation, development and reporting of the  
20 Company's internal budgets, plans, projections and/or reports; (iii) each of these  
21 defendants enjoyed significant personal contact and familiarity with the other defendants  
22 and was advised of, and had access to, other members of the Company's management  
23 team, internal reports and other data and information about the Company's finances,  
24  
25  
26  
27  
28

1 operations, and sales at all relevant times; and (iv) each of these defendants was aware of  
2 the Company's dissemination of information to the investing public which they knew  
3 and/or recklessly disregarded was materially false and misleading.  
4

5 85. The Company and the Exchange Act Individual Defendants had actual  
6 knowledge of the misrepresentations and/or omissions of material facts set forth herein,  
7 or acted with reckless disregard for the truth in that they failed to ascertain and to disclose  
8 such facts, even though such facts were available to them. Such defendants' material  
9 misrepresentations and/or omissions were done knowingly or recklessly and for the  
10 purpose and effect of concealing REV's financial well-being and prospects from the  
11 investing public and supporting the artificially inflated price of its securities. As  
12 demonstrated by the Company and the Exchange Act Individual Defendants'  
13 overstatements and/or misstatements of the Company's business, operations, financial  
14 well-being, and prospects throughout the Class Period, the Company and the Exchange  
15 Act Individual Defendants, if they did not have actual knowledge of the misrepresentations  
16 and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately  
17 refraining from taking those steps necessary to discover whether those statements were  
18 false or misleading.  
19  
20  
21  
22  
23

24 86. As a result of the dissemination of the materially false and/or misleading  
25 information and/or failure to disclose material facts, as set forth above, the market price  
26 of REV's securities was artificially inflated during the Class Period. In ignorance of the  
27  
28

1 fact that market prices of the Company's securities were artificially inflated, and relying  
2 directly or indirectly on the false and misleading statements made by the Company and  
3 the Exchange Act Individual Defendants, or upon the integrity of the market in which the  
4 securities trades, and/or in the absence of material adverse information that was known to  
5 or recklessly disregarded by the Company and the Exchange Act Individual Defendants,  
6 but not disclosed in public statements by the Company and the Exchange Act Individual  
7 Defendants during the Class Period, Plaintiff and the other members of the Class acquired  
8 REV's securities during the Class Period at artificially high prices and were damaged  
9 thereby.

10  
11  
12  
13 87. At the time of said misrepresentations and/or omissions, Plaintiff and other  
14 members of the Class were ignorant of their falsity, and believed them to be true. Had  
15 Plaintiff and the other members of the Class and the marketplace known the truth regarding  
16 the problems that REV was experiencing, which were not disclosed by the Company and  
17 the Exchange Act Individual Defendants, Plaintiff and other members of the Class would  
18 not have purchased or otherwise acquired their REV securities, or, if they had acquired  
19 such securities during the Class Period, they would not have done so at the artificially  
20 inflated prices which they paid.

21  
22  
23  
24 88. By virtue of the foregoing, the Company and the Exchange Act Individual  
25 Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated  
26 thereunder.  
27  
28

1 89. As a direct and proximate result of the Company and the Exchange Act  
2 Individual Defendants' wrongful conduct, Plaintiff and the other members of the Class  
3 suffered damages in connection with their respective purchases and sales of the  
4 Company's securities during the Class Period.  
5

6 **FOURTH CLAIM**  
7 **Violation of Section 20(a) of The Exchange Act**  
8 **Against the Exchange Act Individual Defendants**

9 90. Plaintiff repeats and re-alleges each and every allegation contained above as  
10 if fully set forth herein.  
11

12 91. The Exchange Act Individual Defendants acted as controlling persons of  
13 REV within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue  
14 of their high-level positions and their ownership and contractual rights, participation in,  
15 and/or awareness of the Company's operations and intimate knowledge of the false  
16 financial statements filed by the Company with the SEC and disseminated to the investing  
17 public, the Exchange Act Individual Defendants had the power to influence and control  
18 and did influence and control, directly or indirectly, the decision-making of the Company,  
19 including the content and dissemination of the various statements which Plaintiff contends  
20 are false and misleading. The Exchange Act Individual Defendants were provided with or  
21 had unlimited access to copies of the Company's reports, press releases, public filings, and  
22 other statements alleged by Plaintiff to be misleading prior to and/or shortly after these  
23 statements were issued and had the ability to prevent the issuance of the statements or  
24  
25  
26  
27  
28



1 cause the statements to be corrected.

2 92. In particular, the Exchange Act Individual Defendants had direct and  
3 supervisory involvement in the day-to-day operations of the Company and, therefore, had  
4 the power to control or influence the particular transactions giving rise to the securities  
5 violations as alleged herein, and exercised the same.  
6

7 93. As set forth above, REV and the Exchange Act Individual Defendants each  
8 violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this  
9 Complaint. By virtue of their position as controlling persons, the Exchange Act Individual  
10 Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and  
11 proximate result of Defendants' wrongful conduct, Plaintiff and other members of the  
12 Class suffered damages in connection with their purchases of the Company's securities  
13 during the Class Period.  
14  
15  
16  
17

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiff prays for relief and judgment, as follows:  
20

21 A. Determining that this action is a proper class action under Rule 23 of the  
22 Federal Rules of Civil Procedure;

23 B. Awarding compensatory damages in favor of Plaintiff and the other Class  
24 members against all defendants, jointly and severally, for all damages sustained as a result  
25 of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;  
26

27 C. Awarding Plaintiff and the Class their reasonable costs and expenses incurred  
28

1 in this action, including counsel fees and expert fees; and

2 D. Such other and further relief as the Court may deem just and proper.

3 **JURY TRIAL DEMANDED**

4  
5 Plaintiff hereby demands a trial by jury.

6 Dated: July 19, 2018

7 Respectfully submitted,  
8 **POMERANTZ LLP**

9 By: s/ Jennifer Pafiti  
10 Jennifer Pafiti (SBN 282790)  
11 468 North Camden Drive  
12 Beverly Hills, CA 90210  
13 Telephone: (818) 532-6499  
14 Email: jpafiti@pomlaw.com

15 **POMERANTZ, LLP**  
16 Jeremy A. Lieberman  
17 J. Alexander Hood II  
18 600 Third Avenue, 20th Floor  
19 New York, New York 10016  
20 Telephone: (212) 661-1100  
21 Facsimile: (212) 661-8665  
22 Email: jalieberman@pomlaw.com  
23 Email: ahood@pomlaw.com

24 **POMERANTZ LLP**  
25 Patrick V. Dahlstrom  
26 Ten South La Salle Street, Suite 3505  
27 Chicago, Illinois 60603  
28 Telephone: (312) 377-1181  
Facsimile: (312) 377-1184  
Email: pdahlstrom@pomlaw.com

**BRONSTEIN, GEWIRTZ  
& GROSSMAN, LLC**  
Peretz Bronstein  
60 East 42nd Street, Suite 4600  
New York, NY 10165  
(212) 697-6484  
Email: peretz@bgandg.com

*Attorneys for Plaintiff*

**Submission Date**

2018-06-14 19:07:41

# **CERTIFICATION PURSUANT TO FEDERAL SECURITIES LAWS**

1. I make this declaration pursuant to Section 27(a)(2) of the Securities Act of 1933 ("Securities Act") and/or Section 21D(a)(2) of the Securities Exchange Act of 1934 ("Exchange Act") as amended by the Private Securities Litigation Reform Act of 1995.
2. I have reviewed a Complaint against REV Group, Inc. ("REV Group" or the "Company") and authorize the filing of a comparable complaint on my behalf.
3. I did not purchase or acquire REV Group securities at the direction of plaintiffs' counsel or in order to participate in any private action arising under the Securities Act or Exchange Act.
4. I am willing to serve as a representative party on behalf of a Class of investors who purchased or acquired REV Group securities during the class period, including providing testimony at deposition and trial, if necessary. I understand that the Court has the authority to select the most adequate lead plaintiff in this action.
5. To the best of my current knowledge, the attached sheet lists all of my transactions in REV Group securities during the Class Period as specified in the Complaint.
6. During the three-year period preceding the date on which this Certification is signed, I have not sought to serve as a representative party on behalf of a class under the federal securities laws.
7. I agree not to accept any payment for serving as a representative party on behalf of the class as set forth in the Complaint, beyond my pro rata share of any recovery, except such reasonable costs and expenses directly relating to the representation of the class as ordered or approved by the Court.
8. I declare under penalty of perjury that the foregoing is true and correct.

## **Name**

**Print Name**

Leah Bitar

## **Acquisitions**

**Configurable list (if none enter none)**

(see attached)



## Sales

## Documents & Message

**Upload your brokerage statements showing your individual purchase and sale orders.**

(redacted)

A large black rectangular redaction box covering the content of the document.

### Signature

A handwritten signature in blue ink that reads "Leah Bitar".

### Full Name

Leah Bitar

(redacted)

A large black rectangular redaction box covering the content of the document.

REV GROUP, INC. (REVG)

Bitar, Leah

LIST OF PURCHASES AND SALES

DATE	PURCHASE OR SALE	NUMBER OF SHARES/UNITS	PRICE PER SHARES/UNITS
10/30/2017	Purchase	75	\$25.5350
5/18/2018	Purchase	65	\$17.8100